WELLINGTON MANAGEMENT COMPANY LLP
280 Congress Street, Boston, MA 02210 USA

T +1.617.951.5000
www.wellington.com

WELLINGTON MANAGEMENT®

November 17, 2017
Mr. Brent J. Fields
Secretary
United States Securities and Exchange Commission
100 F Street, NE
Washington, DC 02059-1090

VIA E-MAIL: rule-comments@sec.gov

Re: Comments on Investment Company Liquidity Risk Management – Request for Delayed Effectiveness (File No. S7-16-15)

Dear Mr. Fields:

We are writing to express our support for the Investment Company Institute's ("ICI") request dated November 3, 2017 that the Securities and Exchange Commission ("SEC") delay the compliance date of Rule 22e-4 and its related reporting requirements (collectively, the "Rule"). Wellington Management Company LLP is a privately owned SEC registered investment adviser that, together with its affiliates, manages over $1.05 trillion in assets across a wide variety of equity, fixed income and asset allocation strategies. We do not sponsor US mutual funds, but sub-advise approximately $543 billion across 206 US mutual funds, closed end funds and variable annuities representing 37 fund families.

While the current compliance date of December 1, 2018 is over a year away, we share the ICI's concerns that the intervening year is insufficient time for funds to complete all of the efforts necessary to build a liquidity risk management program compliant with the Rule. In addition to the challenges all funds face, as described in the ICI letter, funds that engage sub-advisers face another layer of complexity. Specifically:

- funds that engage sub-advisers will need to determine whether to perform their own classifications or delegate those classifications to sub-advisers;
- if the fund determines to rely on its sub-advisers, in whole or in part, sub-advisers will need to develop new reporting capabilities to allow the adviser to perform the appropriate oversight;
- funds that use their own classification methodology for oversight purposes will need to develop a framework to assess and manage differences between their classifications with those of their sub-advisers; and
- multi-manager funds will need to resolve additional compliance and reporting challenges where multiple sub-advisers hold the same securities in the same fund but classify them differently.

To the extent funds delegate substantial liquidity risk management responsibilities to sub-advisers, these funds' advisers and boards will also need to understand and assess the material elements of the sub-advisers' program.

Our support of the ICI's request to delay the compliance date of the Rule is not predicated on a lack of good faith effort to develop the systems and programs described above. In fact, we can point to several milestones and accomplishments over the past year in developing a Rule 22e-4 compliant liquidity risk management program:

- adapting existing liquidity analysis tools to create a proof-of-concept system than can perform Rule 22e-4-compliant classifications for almost all of the 115 different security types we manage;

- significant client engagement, with at least 50 hours of teleconferences, in person meetings, and board meetings discussing our respective approaches to liquidity risk management;
- publishing a white paper (attached) outlining our program and how we expect to address some of the complexities associated with the adviser/sub-adviser relationship.

Notwithstanding these milestones, significant and complex work remains to be done, including continued validation of our models, developing the actual systems and processes that will use our proof-of-concept logic, and integration of the models into our compliance and reporting systems. Once that is complete, we will then begin the work of integration and coordination with our fund clients. As indicated in the ICI's letter, these efforts will take a significant amount of time, warranting a delay in effectiveness of the Rule.

Rule 22e-4 effectively requires funds to develop an entirely new risk oversight system with new quantitative tools based on new research that inform new investment restrictions. In light of the complexity of this effort, we believe funds and their shareholders would benefit from additional time to ensure that these programs are developed in such a way that they do not inappropriately impede portfolio management while still raising the bar of liquidity risk management across the industry.

* * *

If you have any questions about our comments or would like any additional information, please contact me or Lance Dial at the number above.

Very truly yours,

Cynthia M. Clarke
General Counsel
Wellington Management Company LLP

CC:
The Honorable Jay Clayton, Chairman
The Honorable Kara M. Stein, Commissioner
The Honorable Michael S. Piwowar, Commissioner

Dalia Blass, Director, Division of Investment Management